

## Message Text

UNCLASSIFIED

PAGE 01 THE HA 02603 190551Z  
ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-01  
INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04 OPIC-06  
SP-02 LAB-04 EPG-02 SIL-01 OMB-01 NSC-05 SS-15  
STR-04 CEA-01 PA-02 PRS-01 L-03 H-02 /101 W  
-----191136Z 078541 /17

R 181447Z MAY 77  
FM AMEMBASSY THE HAGUE  
TO SECSTATE WASHDC 507  
INFO USMISSION EC BRUSSELS  
USMISSION OECD PARIS

UNCLAS THE HAGUE 2603

E.O. 11652: N/A  
TAGS: EFIN, NL  
SUBJECT: NETHERLANDS BANK TO LIMIT CREDIT GROWTH

REF: (A) THE HAGUE 2014, (B) THE HAGUE 2404

1. NETHERLANDS BANK MAY 17 ANNOUNCED THAT IT HAD INSTRUCTED PRIVATE BANKS TO LIMIT GROWTH OF CREDIT TO 12.5 PERCENT IN 1977. IF BANKS COLLECTIVELY EXCEED THIS LIMIT, INDIVIDUAL BANKS RESPONSIBLE FOR EXCESS WILL BE REQUIRED TO MAINTAIN INTEREST FREE DEPOSITS WITH NETHERLANDS BANK EQUAL TO 50 PERCENT OF EXCESS. BASE FOR CALCULATING CREDIT GROWTH WILL BE FOURTH QUARTER OF 1976.

2. NETHERLANDS BANK'S REACTION REFLECTS CONCERN ABOUT CONTINUED RAPID INCREASE IN CREDIT FOLLOWING 20 PERCENT GROWTH LAST YEAR. DECISION TO USE DIRECT CONTROLS WAS BASED ON DESIRE TO MINIMIZE INCREASE IN INTEREST RATES WHICH WOULD ADD TO TROUBLESOME UPWARD PRESSURE ON GUILDER IN FOREIGN EXCHANGE MARKETS.

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** BANKS, AMENDMENTS, LOANS, INTEREST RATES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 18-May-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01-Jan-1960 12:00:00 am  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977THEHA02603  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770178-0592  
**Format:** TEL  
**From:** THE HAGUE  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1977/newtext/t19770541/aaaabjrv.tel  
**Line Count:** 47  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
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**Message ID:** a54e5e90-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EUR  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 1  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 THE HAGUE 2014, 77 THE HAGUE 2404  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 25-Jan-2005 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2461673  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** NETHERLANDS BANK TO LIMIT CREDIT GROWTH  
**TAGS:** EFIN, NL, NETHERLANDS CENTRAL BANK  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/a54e5e90-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009